

AGENDA



Thursday, September 27, 2007

**Austin Water Utility
RECOMMENDATION FOR COUNCIL ACTION****Item No. 5**

Subject: Approve an ordinance authorizing negotiation and execution of a cost participation agreement, related to Service Extension Request No. 2620, with AUSTIN INDEPENDENT SCHOOL DISTRICT, providing terms and conditions for the construction of 12-inch water main and appurtenances to provide water service to the Oak Hill Elementary School located at 6101 Patton Ranch Road with City cost reimbursement in an amount not to exceed 33% of the actual construction costs ("hard costs") or \$58,519, whichever is less; waiving the requirements of Section 25-9-62 of the City Code relating to amount of cost reimbursement; and waiving the requirements of Section 25-9-67 of the City Code relating to the cost reimbursement payment schedule.

Amount and Source of Funding: Funding is available in the Fiscal Year 2006-2007 Capital Budget of the Austin Water Utility.

Fiscal Note: A fiscal note is attached.

For More Information: Seyed Miri, P.E. 972-0202 and Denise Avery 972-0104

Boards and Commission Action: Recommended by the Water and Wastewater Commission.

The Oak Hill Elementary School (the "School") is an existing school located on approximately 21 acres of land located at 6101 Patton Ranch Road (the "Property"), inside the full-purpose city limits. Austin Independent School District, (the "AISD") has submitted Service Extension Request 2620 requesting that the City provide additional water for fire protection to the Property which is within the Council approved Impact Fee Boundary, Utility Service Area, and also within the Drinking Water Protection Zone and Barton Creek Watershed.

Under the proposed cost participation agreement, AISD would construct approximately 1,285 feet of 12-inch water main from the existing 24-inch water main in Vega Avenue at Patton Ranch Road, south along Patton Ranch Road to the existing 8-inch water main. AISD is proposing to enclose a canopy area on the existing building to create an art room. Austin Fire Department (AFD) is requiring the School to strengthen the existing water infrastructure to provide additional fire flow. The School and AFD have determined that an extension of an 8-inch water line would significantly improve the fire fighting capabilities, but not to the level that would be required under current rules and regulations for new schools. Based on the Utility's analysis, the proposed 12-inch water main will: a) provide additional fire fighting capabilities and b) improve the reliability of service to the school.

The City will reimburse AISD for the hard costs of the 12-inch water main and appurtenances constructed within public right-of-way or easements for a total not to exceed 33% of the actual construction costs ("hard costs") of the 12-inch water main up to a maximum of \$58,519.00, whichever is less in one (1) payment 90-days after final acceptance. The City will reimburse AISD for the 4-inch increase in pipe diameter that brings the pipe diameter to a total of 12-inches. The 4-inches are 33% of the 12-inch pipe. AISD will bear all other costs for engineering, design, financing, interest, fiscal security, accounting, insurance, inspections, permitting, project management, easement acquisition and legal services associated with this construction.

AISD is requesting a waiver of the City Code requirements in Section 25-9-67, relating to cost reimbursement payments to permit the modified payment schedule of the water improvements described above. Normally under Section 25-9-67, cost reimbursement payments for tracts within the Drinking Water Protection Zone are to be made in four (4) equal annual payments starting on March 1 of the second year following the year in which the water improvements are accepted.

Because the City requested that AISD construct water improvements beyond the minimum needed to serve the School, AISD is requesting a waiver from City Ordinance requirements in Section 25-9-62 relating to the amount of cost participation. Under this Section, the amount of cost participation for oversizing the water main is computed by multiplying \$3.00 by each inch in diameter that the water main is oversized (8-inch water main to a 12-inch main), by the actual length of water main constructed within public right-of-way or easements which would result in a reimbursement amount not to exceed \$15,420.00.

State law adopted in 2005 requires that infrastructure costs required by a political subdivision for a development be "roughly proportionate" to the cost of the infrastructure for the development. The proposed proportional share method is to address this state law requirement.

This action waives the requirements of Section 25-9-62, thereby allowing the reimbursement of 33% of the hard costs of the 12-inch water main up to a maximum of \$58,519.00.

AISD will conform to the City of Austin design criteria and construction standards in all respects. AISD will construct all required improvements at their cost and after approval of construction, AISD will dedicate the facilities to the City for ownership, operation and maintenance.

The Watershed Protection and Development Review Department has reviewed and approved the subject Service Extension Request.